

VIEWPOINT

The Customer Conscience Defining the role of the chief customer officer.

by Curtis Bingham

Do organizations have a customer conscience? Are there voices within corporate structures today that demand to be heard, insisting that customers' needs be considered at every turn? Is it really anyone's job to provide balance to the traditional cost cutting and revenue-growth strategies?

We recently studied companies like Sun Microsystems, Cisco, Hewlett-Packard, Monster.com, Fidelity, and others that have an executive-level customer champion and found that many companies today have indeed institutionalized this role. One of our interviewees, Marissa Peterson, the chief customer advocate and executive vice president of worldwide operations for Sun Microsystems, responded to our questions by labeling herself Sun's customer conscience. Peterson oversees Sun Sigma and other programs through which Sun proactively gathers what it calls voice of the customer insight and use resulting data to make strategic decisions throughout the organization.

Though there are a multitude of responsibilities that a chief customer officer or other executive-level customer champion could have, depending upon the organizational goals, growth plans, structure, and market segments. All the executives we interviewed shared the following four critical goals: increase revenue, bring customer balance to executive decision-making processes, manage the customer relationship as an asset, and proactively gather customer insight and drive organizationwide change.

Increase revenue

Across the board, everyone is ultimately responsible for increasing revenue. Champions can help shorten sales cycles through customer



management and reference programs. Companies can grow revenue through an increased focus on the identification of new products and services. New opportunities for securing a larger share of wallet of the existing customer base are often waiting to be noticed and exploited.

Bring customer balance to executive decision-making processes

Executive-level customer champions can counter the c-suite and the board's traditional focus on revenue growth and cost containment, which has often resulted in damaged customer relationships and diminished long-term results.

Manage the customer relationship as an asset

Despite the fact that U.S. accounting principles do not consider a customer relationship an asset, perhaps one of the most important responsibilities is to manage customer relationships with every bit the same amount of effort that capital assets throughout the company are carefully managed to control costs and maximize effectiveness. Strategic customer relationships need to be defined and strengthened, the customer experience carefully managed, and customer loyalty carefully cultivated.

Gather customer insight and drive organizationwide change

Satisfaction is fleeting and customers' needs change faster than we would like to admit. The competition is always seeking to steal customers. To be successful the customer

champion must gather objective knowledge of the needs of customers, prospects, and the marketplace, using tools and techniques like regional user groups, executive roundtables, champions for key accounts, and a customer hall of fame.

Insight alone is wholly insufficient; it must be made actionable and the requisite changes must be driven through the entire organization. Employees should have access to interpretations by customer champions or product/service specialists as well as raw data for subsequent interpretation or reinterpretation. Employees should be measured and compensated according to customer-facing metrics. Perhaps most important, the measurement, analysis, and change cycle should be continuous.

Do you have a customer conscience? Does your organization know for certain what customers and prospects need, want, and what they are willing to pay for? With a chief customer officer as your customer conscience you can bring balance to the executive-level decision-making processes as have the companies studied in our survey. They have found that incorporating a customer conscience leads to longer and more profitable relationships with key customers, which in turn leads to achieving the ultimate goal of increased and more profitable revenues.



About the author

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